

DOCUMENT RESUME

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Review of the Office Equipment Service, House of Representatives, for the Year Ended June 30, 1977. GSD-78-4; B-114865. February 21, 1978. 4 pp. + enclosure (1 pp.).

Report to Edmund L. Henshaw, Jr., House of Representatives; Clerk of the House; by Elmer B. Staats, Comptroller General.

Contact: General Government Div.

Organization Concerned: House of Representatives: Office Supply Service.

Congressional Relevance: House Committee on House Administration.

Authority: 2 U.S.C. 112e.

The Clerk of the House of Representatives is responsible for furnishing electrical and mechanical office equipment to Members and officers and committees of the House of Representatives. The Clerk's responsibilities for furnishing office equipment are carried out by the House's Office Equipment Service's accounting, messenger, and typewriter repair service units. The Service maintains a computerized system of accounts which provides for each type of equipment: information on inventories, acquisitions and disposals during the year, items furnished to and accountable by each Member or officer; and a summary listing of disposed equipment. As of June 30, 1977, the inventory of office equipment consisted of 11,425 items with an acquisition cost of about \$7.2 million and a net book value of about \$3.6 million. The purchase and disposal transactions were properly documented and recorded, and Service records adequately account for owned equipment and provide adequate control over the dollar amount of equipment chargeable to Members. The Service also maintains manual records of leased office equipment which adequately account for Member's leased equipment and provide adequate control of the dollar amount of leasing allowances. (RRS)



COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

B-114865

FEB 21 1978

The Honorable Edmund L. Henshaw, Jr.
Clerk of the House of Representatives

Dear Mr. Henshaw:

Pursuant to your May 24, 1977, request, we reviewed the activities of the Office Equipment Service of the House of Representatives for the year ended June 30, 1977.

GENERAL COMMENTS

The act of December 5, 1969 (2 U.S.C. 112e), as amended, directs the Clerk of the House to furnish electrical and mechanical office equipment, in accordance with the limitations and regulations prescribed by the Committee on House Administration, to (1) Members (including the Resident Commissioner from Puerto Rico and Delegates to the House of Representatives from the District of Columbia, Guam, and the Virgin Islands) and (2) officers and committees of the House of Representatives.

The Committee on House Administration has issued regulations establishing equipment purchase and lease programs for Members and authorizing equipment purchases for committees consistent with individual needs. In addition, the Clerk may purchase or lease equipment for Officers of the House with the approval of the Committee on House Administration.

The Committee's regulations pertaining to the Members' purchase and lease programs

- provide that the total depreciated value of purchased electrical and mechanical office equipment in use at any one time by each Member shall not exceed \$5,500;
- authorize an office leasing allowance of \$9,000 a year to lease equipment, including automatic typewriters, photocopying equipment, facsimile units, and signature machines;

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- permit a Member to use, upon written request to the Committee, up to \$3,000 a year of unused clerk hire allowance and to transfer funds from other allowances to lease additional equipment; and
- authorize each Member, upon written request to the Committee, to allocate not more than \$12,000 a year of unused clerk hire allowance for computer services.

The Clerk's responsibilities for furnishing electrical and mechanical office equipment are carried out by the Service's accounting, messenger, and typewriter repair service units.

The accounting unit consists of a chief, an assistant chief, and six clerks. It maintains accounting control over owned and leased office equipment and is responsible for leasing, purchasing, and disposing of electrical and mechanical office equipment.

The messenger unit consists of a supervisor, a repairman, and five messenger-laborers. It is responsible for picking up, delivering, and transferring electrical and mechanical office equipment.

The typewriter repair service unit consists of a repairman-supervisor, a clerk, and 10 repairmen. It is responsible for cleaning and repairing automatic, electric, and manual typewriters.

We reviewed the controls over owned and leased equipment, examined selected purchases and disposals of equipment, and test checked the repair parts inventory.

OWNED OFFICE EQUIPMENT

The Service maintains a computerized system of accounts which provides for each type of equipment (1) information on the inventory at the beginning of the year, the acquisitions and disposals during the year, the inventory at the end of the year, and the items furnished to, and accountable by, each Member or officer and (2) a summary listing of disposed equipment. These accounts showed that as of June 30, 1977, the inventory of office equipment consisted of 11,425 items with an acquisition cost of about \$7.2 million and a net book value of about \$3.6 million. (See sch. 1.)

In our previous report on the activities of the Office Equipment Service (B-114865, dated December 27, 1976), we

recommended that the computer program for recording disposed equipment be modified to eliminate outdated material from the listing. Your office informed us that action on this recommendation is being held in abeyance until the House Information System completely revises the computer program.

Our examination of selected purchase and disposal transactions showed that they were properly documented and recorded and that the Service records adequately account for owned equipment and provide adequate control over the dollar amount of equipment chargeable to Members.

LEASED EQUIPMENT

The Service maintains manual records of leased office equipment consisting of (1) a control card for each item and (2) a Member's account card. The control card shows the Member's or officer's name, the lease order number, the lessor's name, a description of the leased item, the rental rate and period, and the rent paid. The Service does not maintain records of leased computer equipment or equipment leased with committee funds by the various committees of the House of Representatives.

The Member's account card shows the balance of the Member's or officer's leasing allowance, the items of equipment leased for the Member or officer, the rental rate, and the beginning and ending dates of the lease period.

The Service's records adequately account for Members' leased equipment and provide adequate control over the dollar amount of leasing allowances.

OFFICE EQUIPMENT SERVICE'S OPERATING COSTS

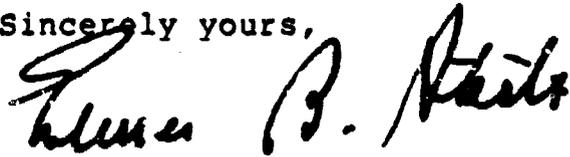
The Service's operating costs for the year ended June 30, 1977, excluding the cost of forms obtained from the Government Printing Office and of data processing services, utilities, office furniture, and building space, which are charged to other activities, were as follows:

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Administrative salaries and benefits	\$ 121,610
Operating salaries and benefits	310,912
Leasing costs	3,776,999
Depreciation of equipment	536,430
Depreciated value of equipment transferred to the General Services Administration	103,348
Repair parts	23,506
Vendor repairs	74,957
Office supplies	<u>1,253</u>
Total	<u>\$4,949,015</u>

A copy of this report is being sent to the Chairman of the Committee on House Administration.

Sincerely yours,



Comptroller General
of the United States

HOUSE OF REPRESENTATIVES
OFFICE EQUIPMENT SERVICE
SUMMARY OF EQUIPMENT ACCOUNTS
JULY 1, 1976, TO JUNE 30, 1977

Type	Inventory July 1, 1976		Acquisitions		Disposals		Inventory June 30, 1977		Net book value
	Units	Cost	Units	Cost	Units	Cost	Units	Cost	
Addressing equipment	297	\$ 208,773	19	\$ 3,080	70	\$ 46,411	246	165,448	\$ 60,505
Automatic typewriters	481	1,095,672	29	7,623	110	262,528	400	840,767	160,731
Typewriters	6,617	3,060,450	685	464,568	439	175,321	6,863	3,369,703	1,650,623
Duplicating equipment	1,777	662,638	273	96,926	194	69,536	1,856	690,028	394,345
Duplicating equipment	863	561,654	55	49,721	105	63,489	813	547,650	273,417
Adding machines and calculators	509	189,627	135	31,749	41	16,499	603	202,877	111,673
Computer equipment	13	321,236	34	621,200	-	-	47	942,436	728,667
Miscellaneous (note 2)	473	469,316	61	26,251	19	5,162	517	465,905	212,434
Total	11,110	\$6,564,672	1,293	\$1,301,724	978	\$640,946	11,425	\$7,245,450	\$3,652,555

2/Includes automatic letter openers and sealers, automatic letter folders and inserters, typing machines, delivery trucks, and other miscellaneous equipment.

Note: This schedule does not include leased equipment in the custody of the Office Equipment Service.